

DATE:

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER: XXXXXXXX

ISSUANCE DATE:

MAXIMUM AMOUNT: U.S. \$ 2,000,000.00

BENEFICIARY:

U.S. ENVIRONMENTAL PROTECTION AGENCY
C/O WALTER MUGDAN, DIRECTOR
EMERGENCY AND REMEDIAL RESPONSE DIVISION
EPA REGION 2
290 BROADWAY
NEW YORK, NY 10007

APPLICANT:

OCCIDENTAL CHEMICAL CORPORATION
[ADD AN ATTENTION PARTY WITH CONTACT INFO]

DEAR SIR OR MADAM:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. XXXXXXXX IN YOUR FAVOR, AT THE REQUEST AND FOR THE ACCOUNT OF THE APPLICANT, OCCIDENTAL CHEMICAL CORPORATION IN THE AMOUNT OF EXACTLY TWO MILLION U.S. DOLLARS (\$2,000,000.00) (THE "MAXIMUM AMOUNT"). WE HEREBY AUTHORIZE YOU, THE U.S. ENVIRONMENTAL PROTECTION AGENCY (THE "BENEFICIARY"). TO DRAW AT SIGHT ON US, HSBC BANK USA, N.A., GLOBAL TRADE AND RECEIVABLES FINANCE (GTRF), C/O WILLIAMS LEA TAG, 1212 AVENUE OF THE AMERICAS, 17TH FLOOR, NEW YORK, NY 10036 AN AGGREGATE AMOUNT EQUAL TO THE MAXIMUM AMOUNT UPON PRESENTATION OF:

(1) YOUR SIGHT DRAFT, BEARING REFERENCE TO THIS LETTER OF CREDIT NO. XXXXXXXX (WHICH MAY, WITHOUT LIMITATION, BE PRESENTED IN THE FORM ATTACHED HERETO AS EXHIBIT A); AND

(2) YOUR SIGNED STATEMENT READING AS FOLLOWS "I CERTIFY THAT THE AMOUNT OF THE DRAFT IS PAYABLE PURSUANT TO THE TERMS OF THE ADMINISTRATIVE ORDER ON CONSENT BETWEEN OCCIDENTAL CHEMICAL CORPORATION, RESPONDENT AND EPA REGION 2 (CERCLA DOCKET NO. 02.2004.2010), ENTERED INTO BY THE PARTIES THERETO IN ACCORDANCE WITH THE AUTHORITY OF THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION. AND UABIUTY ACT (CERCIA)."

THIS LETTER OF CREDIT IS EFFECTIVE AS OF _____ AND SHALL EXPIRE ON _____ BUT SUCH EXPIRATION DATE SHALL BE AUTOMATICALLY EXTENDED FOR A PERIOD OF ONE YEAR ON _____ AND ON EACH SUCCESSIVE EXPIRATION DATE, UNLESS, AT LEAST ONE HUNDRED TWENTY (120) DAYS BEFORE THE CURRENT EXPIRATION DATE. WE NOTIFY BOTH YOU AND OCCIDENTAL CHEMICAL CORPORATION INC. BY CERTIFIED MAIL THAT WE HAVE DECIDED NOT TO EXTEND THIS LETTER OF CREDIT BEYOND THE CURRENT EXPIRATION DATE IN THE EVENT YOU ARE SO NOTIFIED, ANY UNUSED PORTION OF THE CREDIT SHALL IMMEDIATELY THEREUPON BE AVAILABLE TO YOU UPON PRESENTATION OF YOUR SIGHT DRAFT FOR A PERIOD OF AT LEAST 120 DAYS AFTER THE DATE OF RECEIPT BY BOTH YOU AND OCCIDENTAL CHEMICAL CORPORATION OF SUCH NOTIFICATION, AS SHOWN ON SIGNED RETURN RECEIPTS.

MULTIPLE AND PARTIAL DRAWS ON THIS LETTER OF CREDIT ARE EXPRESSLY PERMITTED, *UP TO AN* AGGREGATE AMOUNT NOT TO EXCEED THE MAXIMUM AMOUNT WHENEVER THIS LETTER OF CREDIT IS DRAWN ON, UNDER, AND IN COMPLIANCE WITH THE TERMS HEREOF, WE SHALL DULY HONOR SUCH DRAFT UPON PRESENTATION TO

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US, AND WE SHALL DEPOSIT THE AMOUNT OF THE DRAFT IN IMMEDIATELY AVAILABLE FUNDS INTO SUCH ACCOUNT OR ACCOUNTS AS MAY BE SPECIFIED IN ACCORDANCE WITH YOUR INSTRUCTIONS

ALL BANKING AND OTHER CHARGES UNDER THIS LETTER OF CREDIT ARE FOR THE ACCOUNT OF THE APPLICANT.

EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS NO. 600 (2007 REVISION) INTERNATIONAL CHAMBER OF COMMERCE (UCP 600). AS TO MATTERS NOT GOVERNED BY THE UCP 600, THIS LETTER OF CREDIT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK AND APPLICABLE U.S. FEDERAL LAW.

AUTHORIZED SIGNATURE(S).

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SIGHT DRAFT

TO: HSBC BANK USA, N.A.
GLOBAL TRADE AND RECEIVABLES FINANCE (GTRF)
C/O WILLIAMS LEA TAG,
1212 AVENUE OF THE AMERICAS, 17TH FLOOR
NEW YORK, NY 10036

RE: Letter of Credit No. **[insert number]**

DATE: **[Insert date on which draw is made]**

TIME: **[Insert time of day at which draw is made]**

This draft is drawn under your Irrevocable Standby Letter of Credit No. **[insert number]**. I certify that the amount of the draft is payable pursuant to that certain Administrative Order on Consent, dated February 13, 2004, Docket Number CERCLA-02-2004-2010, issued under the authority vested in the United States of America by the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 - 9675, applying to and binding upon Occidental Chemical Corporation, and relating to the Diamond Alkali Superfund Site, Newark Bay Study Area, Operable Unit 3. Pay to the standby trust fund, established by Occidental Chemical Corporation in accordance with the Administrative Order on Consent referenced above for the fulfillment of Occidental Chemical Corporation's obligations under that Order, the amount of \$**[insert dollar amount of draw]** or, if no amount certain is specified, the total balance remaining available under such Irrevocable Standby Letter of Credit.

Pay such amount as is specified in the immediately preceding paragraph by Fedwire EFT, referencing Site/Spill ID Number 0296. The Fedwire EFT payment must be sent as follows:

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York NY 10045
Field Tag 4200 of the Fedwire message should read [D 68010727
Environmental Protection Agency]

The total amount paid shall be deposited by EPA in the Diamond Alkali Superfund Site Special Account to be retained and used to conduct or finance response actions at or in connection with the Site, or to be transferred by EPA to the EPA Hazardous Substance Superfund.

This Sight Draft has been duly executed by the undersigned, an authorized representative or agent of the United States Environmental Protection Agency, whose signature hereupon constitutes an endorsement.

By [signature]: _____
Printed name: _____
Title: _____
Address: _____
Contact information: _____

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